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IN THE

# SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1963.

No. 773

GENERAL RADIO COMPANY,
*Petitioner,*

vs.

THE SUPERIOR ELECTRIC COMPANY,
*Respondent.*

## PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

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## PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

To the Honorable Chief Justice and Associate Justices of the Supreme Court of the United States:

Your petitioner, General Radio Company, respectfully prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Third Circuit entered in the above-entitled action on August 23, 1963, rehearing denied October 23, 1963. A certified transcript ("Tr.") of the record and the proceedings below is furnished herewith.

## OPINIONS BELOW

The opinion of the Court of Appeals for the Third Circuit is reported at 321 F.2d 857 (1963) and appears as Appendix B to this petition.

A conflicting opinion on the very same issue and subject matter in the circuit of the District of Columbia, *General Radio Company* v. *Robert C. Watson, Commissioner,* is reported at 188 F. Supp. 879 (1960) and appears, in pertinent parts, as Appendix A to this petition, and at Tr. 5.

## JURISDICTION

The judgment of the Court of Appeals for the Third Circuit was entered on August 23, 1963, and a seasonable petition for rehearing was denied on October 23, 1963, upon grounds that a "majority" of the Court did not vote for *en banc* reconsideration, Tr. 406. Jurisdiction of this Court is invoked under 28 U.S.C., Sec. 1254(1).

Specifically, this petition involves a case where the Court of Appeals for the Third Circuit has rendered a decision in direct conflict with a decision in the District of Columbia circuit with regard to the *same* invention[1]—a decision that frankly over-rules as no longer the law the long-established test of invention laid down by the Supreme Court in the landmark case of *Eibel Process Company* v. *Minnesota & Ontario Paper Co.*, 1923, 261 U.S. 45, 68 (Chief Justice Taft).

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1. Rule 19(b) of this Court re jurisdiction in conflicting decisions on the same matter in different circuits. See, also, *Electric Cable Co.* v. *Edison Co.*, 292 U.S. 69, 70; and *Sola Electric Co.* v. *Jefferson Electric Co.*, 317 U.S. 173, 174-5.

## QUESTIONS PRESENTED

I. Whether the test of invention[2] laid down by the Supreme Court in the fountain *Eibel Process* case is still the law, as held in connection with the invention here in issue in the District of Columbia, or whether it is no longer the law, as now held in connection with the same patent in the Third Circuit.

II. Whether the Court of Appeals for the Third Circuit is correctly construing the "orders"[3] of the *current* majority of the Supreme Court in destroying, as a matter of course, all patents[4] coming before it within recent years, so that "the only patent that is valid is one which this Court has not been able to get its hands on".[5]

## STATUTE INVOLVED

The pertinent statute is the New Patent Act of 1952, enacted pursuant to the constitutional provision, Article I, Section 8, relating to the grant of patents for invention.

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2. That making the discovery of a long-hidden and long-sought *cause* of a difficulty constitutes patentable invention.

3. The late Judge Learned Hand's frank admission before the O'Mahoney Committee, Report on Hearings Before Committee on the Judiciary, 84th Congress, 1st Session, Oct. 10-12, 1955, p. 120.

4. The Court of Appeals for the Third Circuit refused frankly to face up to this, though directly accused by counsel of being the "graveyard of patents" over the past decade, Tr. 399, with a substantially unbroken record of well over thirty patent killings.

5. The words of the late Justice Jackson in *Jungerson* v. *Ostby*, 335 U.S. 560, 572.

## STATEMENT OF THE CASE

### Introduction

Over a period of almost a decade, certain laboratory electrical devices (known as variable autotransformers) burned out in ever-increasing numbers as they were applied to increasingly severe industrial uses.

Leading electronic manufacturers, including both the plaintiff and defendant in the present litigation, instituted extensive research programs to try to find out why these devices suffered rapid run-away burn-out; but not a *single* manufacturer *in any country of the world* was able to provide a burn-out-proof variable autotransformer, despite all kinds of modifications and improvements that were evolved in this extended research.

The petitioner, General Radio Company, following an unexpected discovery of one of its engineers, Gilbert Smiley, as to the *cause* of the difficulty or problem, finally solved the problem and offered to the public the first burn-out-proof autotransformer. That *cause* of the rapid burn-out problem in industrial uses turned out to be an *unexpected* form of "cancerous" high-resistance copper oxide on the transformer winding, that should thus be prevented from forming.

It was not until over a year later that the respondent, The Superior Electric Company, copied the General Radio Company advance; and now the whole world-wide industry uses only this burn-out-proof autotransformer.

The General Radio Company obtained the Smiley patent here in suit for its burn-out-proof autotransformer and offered a reasonable license to the respondent; but respondent rewarded this gesture to share the invention with others by filing a declaratory judgment suit to destroy the patent.

In previously sustaining the patentability of the Smiley invention, the District Court for the District of Columbia (Appendix A hereof) had earlier applied the test of invention laid down in the long-respected Supreme Court *Eibel Process* case, *supra;* namely,

> "that plaintiff's method of solution, as set forth in its application, *a very important part of which was the discovery of the problem inherent in the Karplus auto-transformer* when employed in industry as opposed to a laboratory, is patentable . . ."

The solution to the problem, once the long-hidden *cause* of the problem had been discovered, was to use certain kinds of metal coatings to prevent that dangerous high-resistance oxide from forming. While others[6] had previously used metal coatings for other problems on other types of electrical devices, the Court held that this did not negative invention, under the doctrine of the *Eibel Process* case, since

> there was quite a difference in the underlying problem in each

and the functions or purposes of the coatings were different.

But, in the present litigation, the New Jersey District Court rejected the test of invention of the *Eibel Process* case, stating that, although

> *"Our research fails to disclose any later Supreme Court decision expressly over-ruling that in Eibel.* However . . . more exacting standards for determining patentable invention have been applied by the courts in recent years . . ."

The Court of Appeals for the Third Circuit followed suit and held that the tests of *Eibel*, that *discovery of the long-*

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6. Sedgfield, Hunt and the petitioner and respondents themselves.

*sought cause of difficulty* represented patentable invention, was no longer the law; to wit:

> *assuming that Smiley was the first to discover the cause of the operational difficulties*, the present claim to patentable invention is *not* thereby enhanced.

**As to Question I**

The following table, thus, shows not only the basic conflict between the decisions in the District of Columbia and in the Third Circuit in connection with the Smiley patent, *but the deliberate flaunting of the Supreme Court's pronouncements in the Eibel Process case.*

## The Conflicts[7]

| Supreme Court (*Eibel Process* case) | District of Columbia Decision (App. A) (re Smiley invention in suit) | Third Circuit Decision (App. B) (re Smiley patent in suit) |
|---|---|---|
| Re: *Discovery of long-illusive cause of difficulty and solution is patentable invention.* | | |
| "the discovery of the source (of trouble) not before known" is "entitled to be rewarded in . . . patent". (p. 68) | "the discovery of the problem . . . is patentable" | "assuming that Smiley was the first to discover the cause of the operational difficulties, the present claim to patentable invention is *not* thereby enhanced" |
| Re: *Fact that others may have used coatings for solving other problems or to serve other functions in other devices doesn't prevent patenting.* | | |
| "The Eibel invention is distinguished from the prior art . . . in that the pitch of the wire was for a *different purpose* . . ." (p. 58) | "while the plating of the contact tracks of each device resolved the difficulty in each, . . . there was quite a *difference* in the underlying problem in each . . ." | "Where, as here, the allegedly novel feature of the claimed invention is a structural element substantially similar to one of the prior art, *even though its function may be different, the* similarity is sufficient to negative patentability . . . *This is not invention even though the use was not theretofore contemplated.*" |

7. *Eibel* also prohibits accepting mere "oral evidence" of prior use (p. 60)—a further pronouncement ignored by the Court of Appeals for the Third Circuit.

**As to Question II**

This record shows the bold and deliberate hostility of the Court of Appeals for the Third Circuit to patents, presumably in pursuance of what that Court thinks its "orders"[3] are from the Supreme Court.

The "patent graveyard" record of this Court of Appeals has been previously noted[4]; and a review of the patent cases decided by the judge writing the decision in the present cause

> has failed to turn up a *single* holding of patent validity and infringement (Tr. 399).

Are these the "orders" from the Supreme Court?

## REASONS FOR GRANTING THE WRIT

A. The litigants, the inventive scientific community, the bar and the Patent Office[5] should promptly be informed by the Supreme Court as to whether the presently widely relied-upon tests of invention of the *Eibel Process* case are the law today, as held in the District of Columbia litigation of the Smiley invention here in suit, or whether they are not the law, as held by the Court of Appeals for the Third Circuit in connection with the same Smiley patent.

Is the Patent Office spawning myriads of invalid patents on the assumption that *Eibel* is still the law?

B. The invention involved is of tremendous public importance, being now widely used throughout the world; and its status should be promptly resolved.

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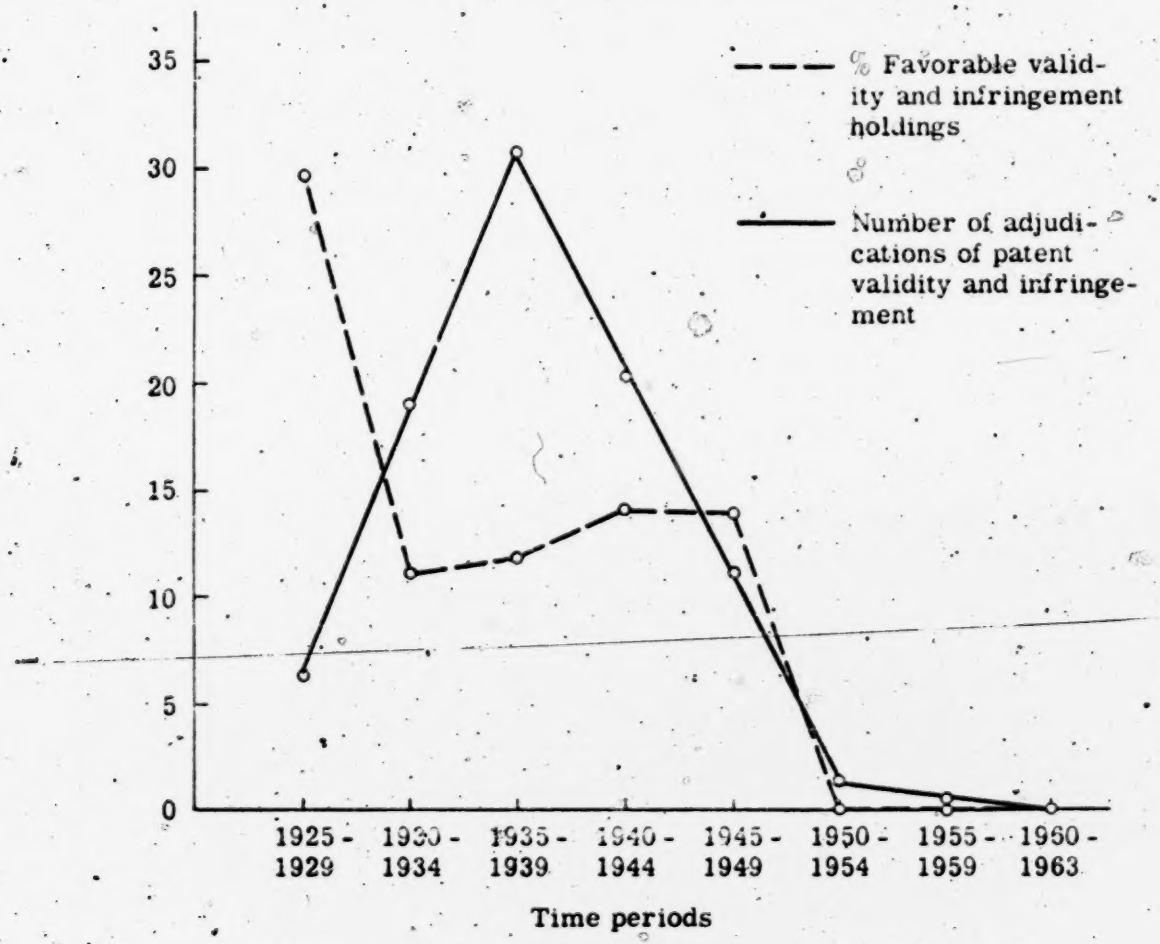
5. Efforts to persuade the Patent Office to appear as *amicus curiae* herein failed, not because the issue is not vital, but because, counsel was informed, the Solicitor General has turned down every single recent request of the Patent Office for *amicus curiae* or certiorari.

C. *The Supreme Court, moreover, has refused to hear every single patent case filed before it, since the passing of the New Patent Act of 1952, that has involved a determination of the current test of invention.*

This refusal has led to tremendous confusion and frustration among inventors and the patent bar to innumerable conflicting decisions in the various circuits, and to destructive decisions such as the current one in which a long-respected landmark case of the Supreme Court has been completely demolished.

A further reason for the granting of this writ resides in the fact that the Supreme Court, *through its ignoring of patent cases at a time when the rest of the world—including our potential enemies—is putting extreme emphasis on the encouragement of inventions and patents,* is presenting the distasteful and perhaps disastrous picture shown in the accompanying graph.

## A MEASURE OF THE INTEREST OF THE UNITED STATES SUPREME COURT IN PATENTS




From: CREATE OR PERISH-The Case for Inventions and Patents, Robert H. Rines, 1964, MIT Press

This picture has resulted in less than a respectful view on the part of the inventive scientific and patent community for the Court; and it is essential to the preservation of the public image of fairness and integrity in the Supreme Court that this Court re-interest itself in patents and protect and encourage those who create our new developments, industries and even weapons from this kind of callous court-sanctioned destruction of their property, supposedly protected under the Constitution.

While a few years ago matters may have been different, we hope the *current* majority of the Supreme Court will now come forward and frankly tell the American public, the bar and the scientific community that they do not share Justice Jackson's view that

> "the only patent that is valid is one which this Court has not been able to get its hands on".[5]

Your petitioner and its counsel *plead for honest justice*, and the upholding of the constitutional mandate to secure the rights of those, like petitioner, who have really progressed the useful arts.

WHEREFORE, your petitioner respectfully prays that a writ of certiorari be issued to the Court of Appeals for the Third Circuit, to the end that this cause may be reviewed and determined by this Court; that the judgment of the Court of Appeals for the Third Circuit be reversed; and that your petitioner be granted such other and further relief in the premises as may be just and proper.

Respectfully submitted.

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